



PRESS RELEASE

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ERC Homebuilders Offers First Opportunity for Wide Range of Investors To Ride Build-To-Rent Wave

Capitalizes on Perfect Storm of Buyer Demand

RIVERVIEW, Florida, June 26, 2019 – [ERC Homebuilders, Inc.](#), a pioneer build-to-rent (B2R) real estate development company, announced today the first-known financing initiative to enable both Wall Street and Main Street investors to tap into growing millennial-driven demand for single-family rental homes.

Founded to wholesale mini-neighborhoods of B2R single-family homes, ERC Homebuilders plans to expand investor access and accelerate fundraising through concurrent offerings under both SEC Regulation D and, pending qualification, Regulation A+.

Leveraging more than 100 combined years in real estate development, management and investment and over \$1 billion in construction experience of its principals, ERC Homebuilders plans to presell homes first in Florida and later throughout the Southeast. The new homes, designed primarily for millennials, are intended to be wholesaled to institutional investors in bundles of at least 20 houses in contiguous areas for maximum efficiency and simplicity.

“By providing both Reg D and Reg A+ offerings, we want to enable a broad swath of investors – from institutional investors to wealthy individuals to everyday investors – to participate in the fastest-growing segment of the U.S. housing market,” said Jerry Ellenburg, chairman and chief executive officer of ERC Homebuilders and a 35-year real estate and finance veteran who has managed more than \$750 million in debt and equity financings.

ERC Homebuilders has released a private offering to accredited and qualified investors pursuant to SEC Rule 506(c) of Regulation D. In addition, the company has submitted SEC Form 1-A filings for two planned offerings under Regulation A+.

“To my knowledge, this is the first time a Reg A+ offering has been used to raise growth capital for build-to-rent real estate development,” said Rod Turner, an ERC Homebuilders board member and the founder and CEO of [Manhattan Street Capital](#), whose online fundraising platform ERC Homebuilders is using for its Reg D offering and plans to use for its Reg A+ offerings.

ERC Homebuilders is tapping into growing demand for B2R homes, especially among millennials who want the comforts and privacy of a home but can’t afford a down payment. Single-family for rent is the fastest-growing segment of the U.S. housing market, with the pace predicted to continue for years. (Please see the fact sheet and infographic linked below for statistics and housing trends.)

“This is just the beginning of a very long runway for the build-for-rent space,” said Michael Finch, principal of [SVN | SFRhub Advisors](#), the first national, dedicated commercial real estate brokerage serving that sector. ERC Homebuilders will use SVN’s marketplace to sell its properties. “There is huge pent-up demand from institutional investors in the BFR market. We have a \$2 billion backlog in requests from our clients for opportunities in this segment.”

Dennis Cisterna, CEO of [Guardian Residential](#), established to acquire B2R housing, said: “We are still seeing tremendous demand for single-family rental product in nearly every major metro area throughout the South and Southeast regions of the United States. As distressed opportunities have faded away, we feel confident that build-to-rent is the next evolution in the sector and provides a tremendous risk-adjusted return.”

Offering details

The Reg D offering provides preferred equity investment opportunities to accredited and qualified investors, with minimum investments of \$500,000 for institutional investors and \$10,000 for individual accredited investors. The overall return on equity is projected toward the mid-20% range, with benefits including annual dividend payments of 8%, paid monthly from the date of investment.

ERC Homebuilders also intends to provide an 8% annual dividend opportunity with its Reg A+ offerings, which will be open to investors of all wealth levels worldwide and feature a minimum investment of \$500.

For more information on the Reg D investment, qualified investors may view the [PPM](#). The preliminary SEC Form 1-A filings for the ERC Homebuilders 1 subsidiary and the ERC Homebuilders 2 subsidiary are available [here](#) and [here](#), respectively.

About ERC Homebuilders fact sheet:

<http://erchomes.com/wp-content/themes/erc/downloads/About-ERC-Homebuilders-Inc.pdf>

ERC Homebuilders offerings fact sheet:

<http://erchomes.com/wp-content/themes/erc/downloads/ERC-Homebuilders-Inc-Offerings.pdf>

Infographic:

<http://erchomes.com/wp-content/themes/erc/downloads/ERC-Homebuilders-Inc-Infographic.pdf>

About ERC Homebuilders, Inc.

[ERC Homebuilders, Inc.](#) was founded in 2018 as a pioneer build-to-rent (B2R) real estate development company wholesaling mini-neighborhoods of affordable single-family homes. Marshaling senior executive experience of over 100 combined years and \$1 billion in construction experience, the company is at the forefront of the emerging B2R boom. Using innovative internet crowd financing via Regulation D and Regulation A+ offerings, ERC Homebuilders will offer investors the opportunity to invest in B2R homes presold in bundles to institutional investors. ERC Homebuilders plans to satisfy the pent-up demand of institutional investors for new rental housing, while meeting the need of millennials and others for single-family living without the hurdles of home ownership. The company will initially build in Florida, later expanding to other Southeastern states.

Regulation A Offerings for ERC Homebuilders 1, Inc. and ERC Homebuilders 2, Inc. (each “the Company”):

No money or other consideration is being solicited, and if sent in response, will not be accepted.

No offer to buy the securities can be accepted and no part of the purchase price can be received until the offering statement filed by the Company with the SEC has been qualified by the SEC. Any such offer may be withdrawn or revoked, without obligation or commitment of any kind, at any time before notice of acceptance given after the date of qualification.

An indication of interest involves no obligation or commitment of any kind.

Offering statements regarding the offerings have been filed with the SEC. You may obtain copies of the preliminary Offering Circulars that are part of the offering statements from here:

ERC Homebuilders 1, Inc.: https://www.sec.gov/Archives/edgar/data/1772602/000114420419029564/tv522811_partiandiii.htm

ERC Homebuilders 2, Inc.: https://www.sec.gov/Archives/edgar/data/1774831/000114420419031655/tv523472_partiandiii.htm